GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1242
ANSWERED ON:10.03.2005
FOREIGN INVESTMENT IN PETROLEUM SECTOR
Singh Shri Dushyant

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has a proposal to invite Foreign Investment in the upstream and downstream business of the Petroleum Sector; and

(b) if so, the details of the proposals mooted in this regard for 2005-06?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) Yes Sir. Policies are already in force for inviting Foreign Investments in the upstream and downstream business of the Petroleum Sector. International competitive bids are invited for oil and gas exploration under the New Exploration Licensing Policy (NELP). Similarly under the Coal Bed Methane (CBM) Policy, bids are invited for exploration and production of CBM. The Refineries Sector has been delicensed since June, 1998 and a refinery can be set up anywhere in India by private or public sector enterprises depending on the promoters` assessment of its viability.

(b) In the upstream petroleum sector, under the fifth round of the New Exploration Licensing Policy (NELP-V), Government has offered 20 exploration blocks under international competitive bidding. Last date of submission of the bids is 31.05.2005. Bids for the third round of the CBM blocks will also be invited after completing various preparatory activities leading to invitation of bids.